



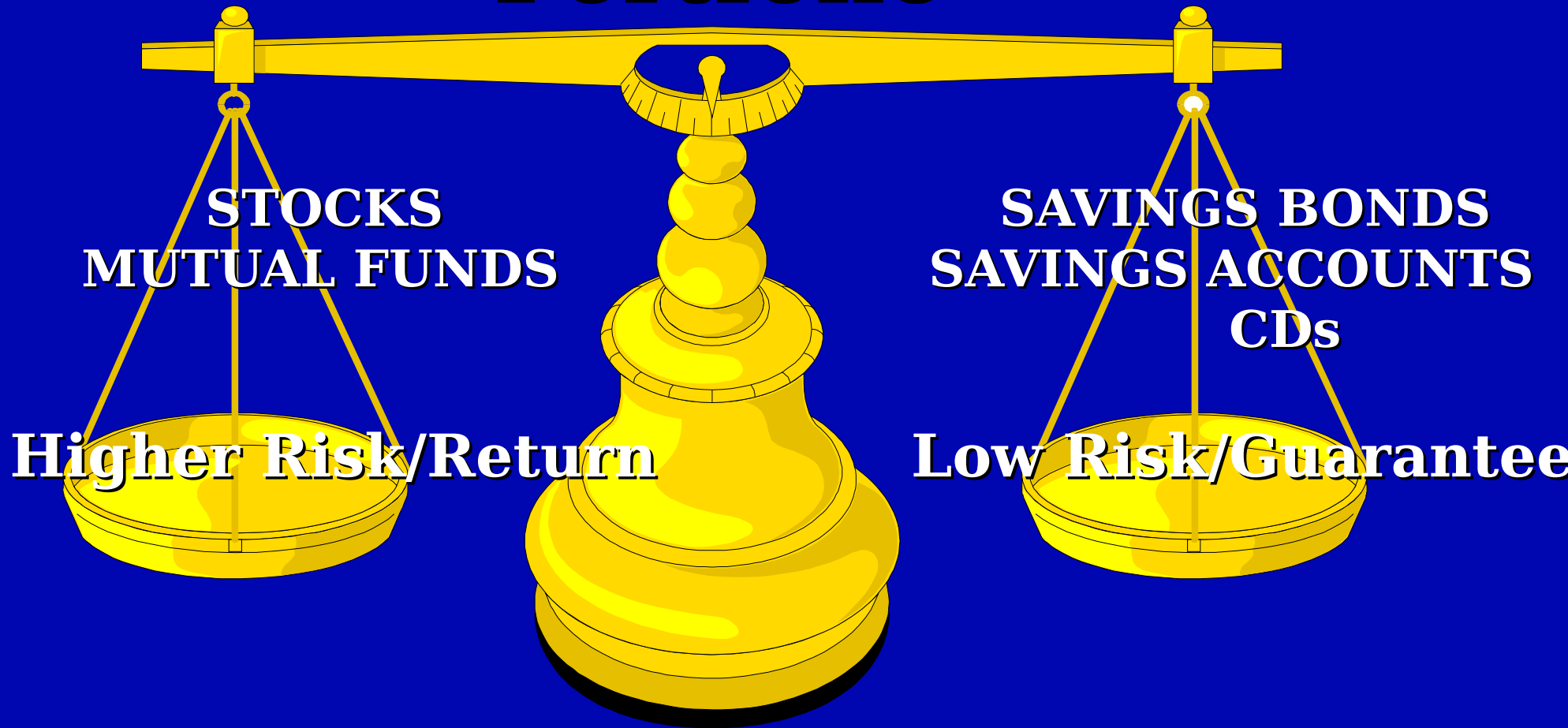
**Save for Your  
Future**

# HOW DO WE SAVE?

## Some Examples:

- MUTUAL FUNDS
- SAVINGS BONDS
- 401K OR OTHER SAVINGS PLANS
- IRAs
- CDs
- SAVINGS ACCOUNTS

# Many Financial Advisors Recommend a Balanced Portfolio

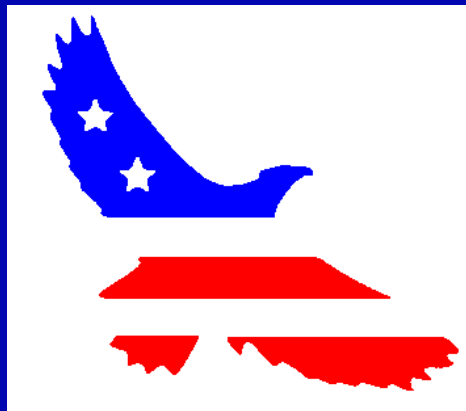


# WHY SAVE WITH SAVINGS BONDS?

- SAFE
- CONVENIENT
- AFFORDABLE
- LIQUID
- TAX ADVANTAGES

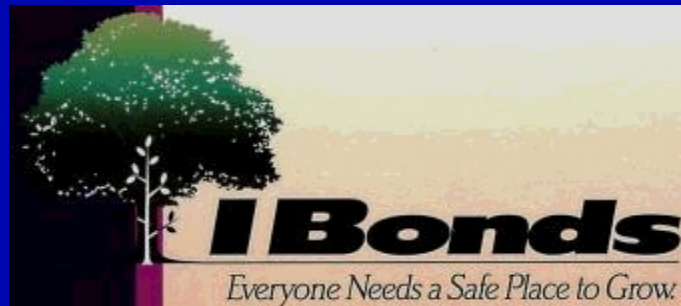
# WHY SAVE WITH SERIES EE SAVINGS BONDS?

- MARKET-BASED RATES
- PURCHASED FOR 1/2 FACE VALUE
- EARN INTEREST FOR 30 YEARS



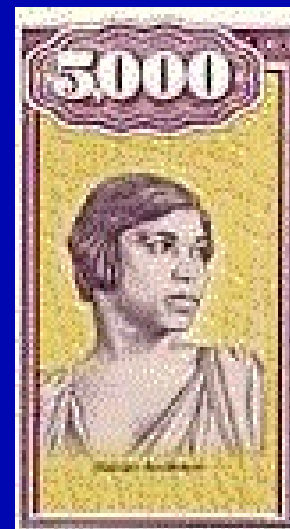
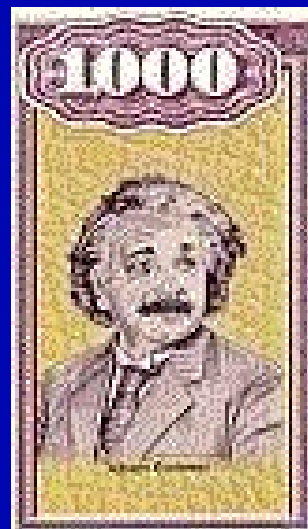
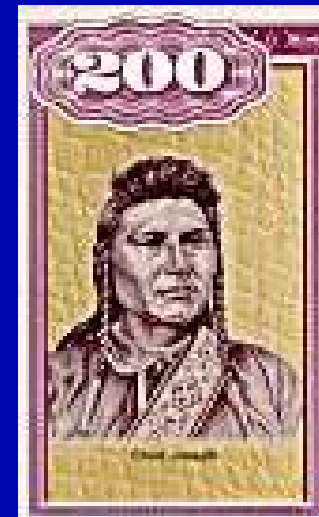
# WHY SAVE WITH SERIES I SAVINGS BONDS?

- FIXED RATE & INFLATION INDEXING
- PURCHASED AT FACE VALUE
- EARN INTEREST FOR 30 YEARS



# I BOND DESIGN

## “Honoring Great Americans”



# HOW ARE SAVINGS BONDS PURCHASED?

*Convenient Where You Work*

## The Payroll Savings Plan

- REGULAR
- AUTOMATIC
- AFFORDABLE ALLOTMENTS
- SAVE IT BEFORE YOU SEE IT
- CHOICE OF REGISTRATION



# POWER OF COMPOUNDING

**YEARS  
OF SAVING**

**\$50 MONTHLY**

	<b><u>4%</u></b>	<b><u>5%</u></b>	<b><u>6%</u></b>
5	\$ 3,298	\$ 3,375	\$ 3,459
10	\$ 7,320	\$ 7,695	\$ 8,110
20	\$18,194	\$20,301	\$22,767
25	\$25,473	\$29,362	\$34,066
30	\$34,344	\$40,963	\$49,250

# EDUCATION TAX FEATURE

## Plan 1

- Bonds registered in parent's name
- Owner 24 years of age at purchase
- Child may be beneficiary, but not co-owner
- Interest may be excluded if these and other restrictions are met (refer to IRS Publication 550).



# EDUCATION TAX FEATURE

## Plan 1 INCOME LIMITS\*

- Joint Filers: \$86,400 - \$116,400
- Single Filers: \$57,600 - \$72,600

*\*For 2002—Adjusted annually for inflation.*

# EDUCATION TAX FEATURE Plan 2

- Register bonds in child's name
  - Parent may be the beneficiary
  - Child reports interest annually or defers until redemption
  - First \$750\* earned annually is tax exempt
  - The next \$750\* is taxed at the child's rate
- \*For 2002—Subject to adjustment annually.*

# ***www.savingsbonds.gov***

- Free software (The WIZARD)
- On-Line Savings Bonds Calculator
- Current bond values
- Interest rates
- Forms
- Description of bond programs
- Answers to your questions

# **For more information:**

- Visit us at  
**[www.savingsbonds.gov](http://www.savingsbonds.gov)**
- Read the Information Brochure
- Call 1-800-4US-BOND

